

OVERALL STATUS OF THE BROAD STREET PARKWAY PROJECT

- Federal Highway Administration's (FHWA)'s review of the Environmental Re-Evaluation Study is complete and an updated Record of Decision has been issued. With the release of the Record of Decision, federal funding earmarked for the project is now available.

EARLY PRIORITIES FOR CONSTRUCTION

- Boiler House Demolition

The contract to demolish the Boiler House was advertised for construction on July 12, 2011. Bids were opened on August 5, 2011.

The lowest bid (\$918,538) was received from NCM Demolition and Remediation, LP. A contract award of \$1,010,392 that includes 10% as contingency is significantly lower than the \$2,500,000 estimate of probable construction cost prepared by Credere Associates, the design consultant. A portion (\$384,000) of the contract is being funded by Brownfields grants.

The City's management team and Credere Associates met with representatives from NCM and reviewed their bid. NCM attributed much of the difference between their bid and the estimate to the extent of this work that will be done in-house avoiding subcontracting markups.

NCM also noted the extent of their due diligence effort during preparation of their bid.

During September 2011, the contract with NCM was approved by the City of Nashua, NHDOT and FHWA.

As previously reported, the work includes removal of the buried remnant of an oil storage tank adjacent to the boiler house. During construction it has been determined that the tank is 50 feet in diameter instead of 30 feet as indicated in records.

The location of this tank is critical to the contractor's work plan for demolition in order to avoid potential claims for delay in the overall demolition, work to address this larger than anticipated tank has been deferred until after demolition is complete.

Asbestos abatement has been completed. Demolition of the building is to be substantially completed by April 2012.

- Pine Street and Palm Street Improvements

A contract for the Pine Street and Palm Street Improvements was advertised in September 2011. Bids were opened on September 30, 2011. Three bids were received. The lowest bid is \$2,119,303 (compared to the Engineer's Estimate of \$2,070,516). The contract has been approved.

Some work including the rounding of the Pine St/Ledge St corner and sidewalk replacement outside the new park at the Labine site has been completed; other work will start in the spring.

Work was performed on several sewer manholes during February and March. Other work will start in the spring.

- Millyard Chimney

International Chimney Corporation (ICC) has completed work on this initial stabilization effort.

The original plan was that after demolition of the Boiler House, a contract will be advertised for rehabilitation of the chimney. The work may include repointing joints, reconstruction of the top 15 feet, applying a compound on the four sides to produce a uniform appearance, repainting the "MILLYARD" letters and restoration of lightning protection.

A structural analysis of the chimney was performed by Weidlinger Associates, Inc. (WAI) that concluded that even with the anticipated restorative work, the chimney will not comply with the seismic or wind requirements of the State of New Hampshire Building Code. WAI recommended that the height of the chimney be reduced from its original 180 foot height to 100-120 feet. Engineers from ICC reviewed WAI report and agreed with the conclusions.

At present, options are being reviewed. Both WAI and ICC have been asked for their input on whether there is any practical way to reinforce the chimney in order to meet the wind load requirements at the original height of 180 feet. We have also asked for budgetary cost estimates for what reducing the height would cost. We have also asked WAI how likely a waiver will be granted for seismic load requirements (which WAI noted would still be required for the lower height). Additionally, we have asked both WAI and ICC if there is a cost effective way to demolish and construct a new chimney to the original height in a way that would comply with wind loads and be eligible for a waiver on the seismic loading.

Restoration of this chimney has been identified as an important aspect of the Parkway project-wide program for mitigation of impacts to historic resources.

Representatives of the New Hampshire Department of Historic Resources, NHDOT and FHWA were briefed on November 3, 2011. All voiced support for the effort the City has undertaken in reviewing alternatives.

Input has been requested from NHDOT and FHWA on possible use of Design/Build procurement for work on the chimney. Coordination with these agencies is continuing.

STATUS OF THE PROJECT ROADWAY DESIGN

Fay, Spofford & Thorndike, LLC, has commenced work on the Roadway Design.

STATUS OF THE PROJECT BRIDGE DESIGN

In consultation with NHDOT and FHWA, it has been determined that the bridges will be procured using a traditional Design/Bid/Build process. Fay, Spofford & Thorndike, LLC is preparing a proposal to amend their contract to include design of the three bridges.

STATUS OF THE RIGHT OF WAY ACQUISITION

There are several aspects of the project related to right-of-way acquisition for which the extent of unknown information leads to uncertainty with respect to the budget and schedule:

- Property needed for the project includes parcels that are needed in entirety, as well as parcels where only a portion of the property is needed.
- Most of the full parcel acquisition has been completed. Many partial acquisitions cannot commence until further design development occurs.
- NHDOT and their consulting appraisers are working on appraisals for high priority acquisitions.

OVERALL PROJECT BUDGET

Following completion of the 2007 Cost Reduction Study an analysis of projected costs led to the conclusion that the cost to complete the project could be \$68.1 million.

Following this analysis, the upper limit of potential City expenditures to complete this project (the difference between cost to complete and available federal funding) was estimated to be \$37.6 million dollars.

As various components of the project continue to be refined, opportunities to reduce overall expenditures continue to be evaluated. However, there are still areas where costs cannot be determined until further coordination and design development occur. These allowances include costs associated with mitigating subsurface contamination, relocating utilities, acquiring right-of-way and obtaining necessary permits.

Costs based on the methodology used previously to establish the budget in 2007 dollars are being used as a baseline of analysis.

Generally the budget is consistent with the baseline previously established in 2007 dollars using the same methodology. Current cost projections are anticipated to be \$46 million before adding allowances for contingencies. This compares with \$45.8million previously projected for Option 2.

With application of the previously described allowances to address costs that may be incurred due to presently unknown concerns, it appears reasonable to conclude that the maximum level projected for City funding will not be exceeded. With these allowances, the total in 2007 dollars rises to \$49.6 million.

In January 2011, inflationary rates were applied to the 2007 dollar total resulting in a project budget of \$67.3 million. Actual costs and adjustments to escalation rates are used to prepare monthly projections of project cost. The update performed in February 2012 results in projection of project cost of \$64,371,498.

ENVIRONMENTAL MITIGATION

There are several aspects of subsurface contamination for which there are uncertainties with respect to budget and schedule.

This includes subsurface contamination within the Millyard as well as buried asbestos material at several locations within the project area.

Efforts are underway to compile records from NHDOT files to document the extent of past investigation and define the scope of work remaining.

A meeting was held on March 17, 2011 with NHDES. The stormwater management design strategy for the Parkway was presented. Feedback from NHDES was positive.

UTILITY AND RAILROAD COORDINATION

This project includes significant impacts to utility and railroad facilities within the project area. Efforts to update previous coordination by NHDOT (performed in 1999 to 2002) have been initiated. Utility owners have been contracted and one-on-one meetings have commenced to discuss implication of the project to the existing utility infrastructure.

Meetings have been held with owners of water, gas, power and telephone utilities. Coordination necessary for the early Pine Street and Palm Street contract has been prioritized.

A coordination meeting was held with representatives of Pan Am Railroad in December, 2011. It is anticipated that a follow-up meeting will be held following completion of 30% design plans.

PUBLIC MEETINGS

Between June 2007 and August 2010, there were eight public meetings that focused on progress of the Parkway Supplementary Analysis; the Cost Reduction Study; and the ongoing Environmental Re-Evaluation.

These meetings are summarized in an August 12, 2010 memorandum prepared by Nashua Regional Planning Commission (NRPC).

In addition, Mayor Lozeau and Project Manager John Vancor attended the Aldermanic Infrastructure Committee meeting on March 10, 2010 to discuss the acquisition of 40 Pine Street for the project.

Leon Kenison, P.E., Director of Public Works and Stephen Dookran, P.E., City Engineer attended the Aldermanic Infrastructure meeting on May 12, 2010 and discussed several aspects of the project.

The Parkway project has also been discussed at several meetings of the Board of Public Works.

The Aldermanic Infrastructure Committee held a meeting which included a walk of the route of the portion of the project south of the Nashua River on September 25, 2010.

A joint meeting of the Planning and Economic Development Committee and the Business & Industrial Development Authority (BIDA) was held on December 7, 2010. The meeting focused on redevelopment of the former Mohawk Tannery site.

Project Manager John Vancor attended Aldermanic Infrastructure Committee meetings on October 13, 2010, December 8, 2010, January 26, 2011, October 26, 2011, January 25, 2012 and February 22, 2012 to provide updates on several aspects of the project.

Project Administrator Leon Kenison, P.E. attended the Aldermanic Infrastructure Committee Meeting on April 13, 2011 to provide an update on several aspects of the project.

Meetings of City Staff and consultants continue with numerous stakeholders to discuss plans and progress of the Project. There are monthly progress briefings of the Board of Public Works Commissioners and members of the Aldermanic Infrastructure Committee.

**Broad Street Parkway Project
Budget v Projections
As of 02-28-2012**

Revenue

Federal	Bond	Total Revenue
\$ 30,507,000.00	\$ 37,600,000.00	\$ 68,107,000.00

Expenses

	Budget July, 2008	Budget January, 2011	Projection January, 2012	Projection February, 2012	Federal	Bond	Balance
Overall Project	\$ 68,107,000.00				\$ 501,113.60	\$ 1,821,546.40	\$ 33,568,732.00
Construction		\$ 39,790,000.00	\$ 35,891,392.00	\$ 4,250,000.00	\$ -	\$ -	\$ 4,250,000.00
Construction Administration		\$ 4,270,000.00	\$ 2,980,000.00	\$ 2,980,000.00	\$ 976,000.00	\$ 586,414.00	\$ 1,417,586.00
Design		\$ 2,880,000.00	\$ 3,430,906.00	\$ 3,430,906.00	\$ 323,301.00	\$ 1,183,306.00	\$ 1,924,299.00
Project Admin/Prof. Services		*			\$ -	\$ -	\$ 1,500,800.00
Utility Relocation		\$ 1,510,000.00	\$ 1,500,800.00	\$ 1,500,800.00	\$ 4,746,500.00	\$ 225,800.00	\$ 2,579,000.00
Right-of-Way		\$ 7,550,000.00	\$ 7,551,300.00	\$ 3,489,300.00	\$ -	\$ -	\$ 3,489,300.00
Hazardous Mitigation		\$ 3,470,000.00	\$ 877,800.00	\$ 877,800.00	\$ -	\$ 254,885.44	\$ 622,914.56
Environmental Mitigation		\$ 640,000.00	\$ 4,400,000.00	\$ 4,400,000.00	\$ 589,458.00	\$ 5,136.36	\$ 3,805,405.64
Other Costs - Allowances		\$ 7,220,000.00	\$ 64,371,498.00	\$ 64,371,498.00	\$ 7,136,372.60	\$ 4,077,088.20	\$ 53,158,037.20
Total	\$ 68,107,000.00	\$ 67,330,000.00	\$ 64,371,498.00	\$ 64,371,498.00	\$ 7,136,372.60	\$ 4,077,088.20	\$ 53,158,037.20

* Included under "Other Costs - Allowances"

Current Projections reflect updated escalation factor

Bond Sales:

\$2,205,000	8/10
\$2,500,000	10/11
\$4,705,000	
\$32,895,000.00	Remaining Bond balance